(NORWEST)

January 5, 1984

PROPOSAL FOR LONE STAR CEMENT COMPANY

Price:

We will maintain a price of \$35.00/ton, F.O.B. Norwest plant for all 1984 purchases of screened

pebble gypsum.

Terms:

A 2% cash discount will be allowed on invoices paid on or before the 20th of the month following shipment. Norwest Gypsum cutoff is the next to

the last Friday of each month.

Incentive:

If Lone Star's purchases from Norwest reach or exceed the following tonnages for 1984, we will

allow additional discount as listed:

 10,000 tons
 1% discount

 13,000 tons
 2% discount

 16,000 tons
 3% discount

Service:

Norwest Gypsum will maintain the same level of service and will keep lone Star advised of plant

shutdowns.

Volume:

The above proposal is predicated on receiving 100%

of Lone Star's 1984 rock requirements.

